



## State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

CHRISTINE TODD WHITMAN  
Governor

WILLIAM WALDMAN  
Commissioner

VELVET G. MILLER  
Director

**MEDICAID COMMUNICATION NO. 94-17**

**DATE: November 7, 1994**

**TO:** County Welfare Agency Directors  
Institutional Services Section Area Offices

**SUBJECT:** PA-3L Claim Adjustment Process

This is to advise you that there has been a change to the PA-3L claim adjustment process. This only applies to cases in which claims have already been paid for the month(s) affected by the change.

Effective immediately, when completing a PA-3L form to correct previously reported income, it will be necessary to determine if the PA-3L effective date is within 22 months of the current date (month/year). If it is **not** within the 22-month period, complete a new column on the PA-3L for each month affected by the change in income until the effective date **falls within** the 22-month period and no other PA-3L has been issued in the time frame for which the changed income will occur.

**EXAMPLE:** The recipient's income to be changed is from July 1992 through December 1992. Since July 1992 is **not** within the 22-months, using October 1994 as the current date, the PA-3L would need to have separate columns for July 1992, August 1992, September 1992, October 1992, November 1992 and December 1992. (To calculate the beginning of the adjustment period, add two months to the current month and subtract two years from the current calendar year.)

When the effective date on the PA-3L is within the 22-month period, the system will automatically adjust claims by the available income amount for each month. The available income will be applied to all claims until another PA-3L with a more current effective date is entered into the system.

**NOTE:** NEW CASES that are added to the system with eligibility dating back more than 22-months will not fall under this guideline since no paid claims will exist in the system. The PA-3L form should be completed without regard to the 22-month rule.

We are taking this opportunity to remind you that it is not necessary to complete a new PA-3L form when a Medicaid recipient transfers from one nursing facility to another unless a change of income has occurred. However, if there is no change of income, the sending facility should forward a copy of the **latest** PA-3L form to the receiving facility.

This information is to be communicated to appropriate staff. Your cooperation is necessary for the accurate and efficient operation of the long-term billing system. Questions regarding this communication can be directed to Ellen Keane of the Bureau of Claims and Accounts at 609-588-2885.

Sincerely,

*Velvet G. Miller for*

Velvet G. Miller  
Director

VGM:G

c: Marion E. Reitz, Director  
Division of Family Development

James W. Smith, Acting Director  
Division of Youth and Family Services

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